

**FILED**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
RALEIGH DIVISION

SEP 28 2001

PEGGY B. DEANS, CLERK  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF N.C.

IN RE:

INTERNATIONAL HERITAGE, INC.

Debtor.

CASE NO. 98-02675-5-ATS  
CHAPTER 7

**THIRD INTERIM FEE APPLICATION**  
**FOR COMPENSATION OF ATTORNEY FOR TRUSTEE**  
**AND REIMBURSEMENT OF EXPENSES**

Now comes Jean Winborne Boyles, attorney for trustee for the above-referenced Debtor, and respectfully shows the Court:

1. The Debtor filed a Bankruptcy Petition under Chapter 7 on November 25, 1998.
2. An Order was duly entered approving employment of Jean Winborne Boyles as attorney for trustee on February 18, 1999.
3. All services for which compensation is requested were performed for an on behalf of said trustee. This attorney has received prior compensation in connection with legal services provided this bankruptcy estate and has received prior reimbursement of out of pocket expenses as provided for in the First and Second Interim Fee Order but has received no prior compensation in connection with the legal services and reimbursements as requested in this Fee Application.
4. No payments have been guaranteed or promised to anyone and this applicant has not shared and no agreement exists for this applicant to share any part of any compensation with any other persons.
5. The total time expended of the undersigned and the law firm in this bankruptcy case consisted of approximately 30.9 hours as set out below and justified and fully explained in Exhibit A attached hereto and incorporated herein by reference.

ATTORNEY	RATE	HOURS	FEE AMOUNT
Jean W. Boyles	\$145.00	30.9	\$4,480.50
Paralegal	\$60.00	.8	\$48.00
Expenses			\$11.40
Total			\$4,539.90

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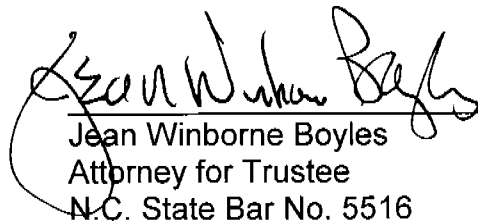
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The total amount of compensation being sought is \$4,539.90 which is at the rate of \$145.00 per hour for attorney time and \$60.00 per hour for paralegal time. The applicant also requests reimbursement for reasonable and necessary expenses incurred in the amount of \$11.40. The services rendered and expenses incurred are itemized on the attached Exhibit A.

WHEREFORE, your movant respectfully requests the Court to allow her an allowance in this case in the amount of \$4,528.50 as attorney for trustee, together with the additional sum of \$11.40 for reimbursement of expenses incurred in connection with this case.

This the 25<sup>th</sup> day of September, 2001.

  
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Jean Winborne Boyles  
Attorney for Trustee  
N.C. State Bar No. 5516  
4086 Barrett Drive  
Raleigh, NC 27609  
P.O. Box 10506  
Raleigh, NC 27605-0506  
919-881-9299

**EXHIBIT A**  
**TIME SHEET - INTERNATIONAL HERITAGE, INC.**

8/31/00	Talk with Holmes Harden about Charles Anderson and setoff in general; Do reading on issues of set-off and go back through lease file and outline the four leases with Weeks Realty and derivative; Determine there is an issue of set-off pre and post petition and letter to Charles Anderson with reference to security deposit being held by SFBC One Associates, which through later transfers is held by Weeks Realty, LP; Letter in attempt to sort out who has money and who represents it	1.4 hrs
9/5/00	Call to Cathy Rudisill and review letters received from her in reference to Weeks Realty issues and history in attempt to explain to her history of letters written before my involvement and questions where security deposits are	.6 hrs
9/6/00	Call to Jenny Johnson and Holmes Harden concerning issues of funds and if money was paid pre or post petition; Draft letter and review 12/4/98 letters from Charles Anderson in reference to security deposits from Smith Helms and now he is with another firm	1.2 hrs
9/7/00	Finalize letter to Cathy Rudisill at Smith Helms and call to Diaz at WorldCom saying that she will return \$7,100.00 worth of deposits	.4 hrs
9/26/00	Receive fax from COECO of Raleigh; Call to Glenda Werkman and question if had reviewed letter in light of issues in bankruptcy in reference to security deposit and its return	.3 hrs
10/4/00	Call to Holmes Harden - how he wants to deal with issue of collections and settlement	.2 hrs
10/5/00	Work on problem of proof on Schedule B-15 for recommendations to Holmes Harden of how to proceed in a cost-effective way; Review all items in Schedule in attempt to outline in reference to proof	.8 hrs

10/11/00	Long talk with Ben Davis about SFBC-Weeks Realty and \$24,000.00 deposit and how to resolve issue of pre-petition terminations versus damage, etc.; Request lease, talk about potential resolution of involved deposit and lease issues which there are problems of proof	.5 hrs
10/17/00	Review SBFC lease and Weeks Realty lease and call back to Ben Davis in reference to his letter concerning issue of set-off of \$24m as security deposit; Call to Ben Davis and he is waiting for list of damages to get back with me	.6 hrs
10/19/00	Call to Kimberly Diaz at WorldCom concerning check, am informed that it will arrive in 1-2 weeks; Call to Jenny Johnson about issues of proof and files with FBI and how we can review those	.3 hrs
10/26/00	Letter to Werkman at COECO concerning deposits and response to our letter and demand for repayment	.3 hrs
10/31/00	Talk with Holmes Harden concerning settlement; Long talk with Werkman at COECO about settlement; Go over all of numbers versus problems of proof to determine how to proceed	.5 hrs
11/3/00	Call to Diaz at WorldCom; Call from Werkman at COECO concerning a release; Call to Holmes Harden concerning COECO and potential problem of preferences and security deposits concerning other issues; Fax and call to Stephanie Humrickhouse concerning preference and security deposits for BTI; Review whole file to best determine where should go forward and where should hold back	1.3 hrs
11/6/00	Go through all documents that we can find for support for Schedule B-15; Attempt to reconcile numbers and issues of identification; Make extensive notes; Call to Brent Wood about BTI and history of relationship between IHI and BTI; Call to Jenny Johnson; Call to Block & Associates concerning \$2,600.00 deposit	2.8 hrs
11/7/00	Letter to Holmes Harden on recommendations of how to proceed with collections of various deposits; Talk to Jenny Johnson; Call to FBI; Long discussion on Letter to Brent Wood; Call to MCI; Talk to COECO again concerning resolution	1.6 hrs

11/8/00	Go to FBI and go through various documents and gather information for support for filing suit; Call from Block concerning deposit; Call to Mrs. Kohram concerning Block & Associates deposit	4.2 hrs
11/13/00	Letter to Linda Werkman of COECO; Go over Ben Davis' letter; Get documentation and meet with Mrs. Kohram concerning Block & Associates deposit; Talk with Holmes Harden concerning what to do; Prep for meeting with review of all issues and what to pursue with problems of lack of appropriate documentation	2.1 hrs
11/14/00	Letter to FBI, re: BTI; Address of individuals for demand letters for money owed IHI; Again call Humrickhouse, re: BTI and COECO with overlap of preferences; Talk to Ben Davis concerning security; Call to WorldCom; Review code concerning statute of limitations for time to file these actions	2.3 hrs
11/15/00	Talk to Ben Davis concerning potential of settlement; Agree for a Relief from Stay and move for Set-Off - he will get back to us; Call to MCI; Call from Jenny Johnson; Call to Werkman at COECO concerning hopefully settlement, leave message that we will settle; Talk to Humrickhouse about BTI and fax receivable information from petition to her for potential overlap with preferences she is filing	1.8 hrs
11/27/00	Call to Werkman and inform check is ready	.1 hrs
11/29/00	Draft Motion and Order to Approve Compromise in Settlement with COECO	.5 hrs
12/4/00	Review Motion and Order; Talk to Holmes Harden about notice issues; Call from Diaz concerning WorldCom and \$2,100.00 check	.5 hrs
12/5/00	Letter to Ben Davis about Weeks and \$24,000.00; Go over Motion and second letter to Holmes Harden concerning status	.6 hrs
12/21/00	Call and letter to Diaz about MCI and check	.3 hrs
1/8/01	Call to Diaz about MCI funds; Letter to Ben Davis concerning Weeks Realty and Relief from Stay	.4 hrs

1/16/01	Letter to Stephanie Humrickhouse about BTI	.2 hrs
1/19/01	Talk to Diaz concerning MCI check and return	.1 hrs
1/22/01	Call to Joan Fleming at FBI about BTI and try to get contract; Receive letter from Diaz and talk to her about MCI issue	.3 hrs
1/31/01	Call to Ben Davis twice about Weeks	.2 hrs
2/2/01	Send check from MCI; Talk to MCI attorney about set-off issues for \$2,100.00 deposit; Go into history about MCI and deposits and on-going service and \$38,000.00 bill post-petition - attorney will get back with me concerning the proof and his position of set-off	.4 hrs
2/6/01	Review all files for status with Holmes Harden; Realize have not followed up with Spectrum; Call again to Joan Fleming; Review preference suit; Letters to Stephens; Call to Jenny Johnson; Letter to Ed Zivrik	1.2 hrs
2/8/01	Receive e-mail from D. Psyswansky about Spectrum and return call; Letter to Ben Davis	.3 hrs
2/15/01	Call to Holmes Harden and call from Charles Anderson; Pull files on 2626 Glenwood and Spring Forest in attempt to reconcile and talk concerning set-off and issue of whether lease was terminated pre-petition and deposits were applied	.4 hrs
2/20/01	Talk to Charles Anderson on Spectrum and issues of settlement and his recommendation to do that	.2 hrs
3/14/01	Call to Holmes Harden concerning settlement and amount to discount; Fax and call to Charles Anderson and Brian Benjet of MCI concerning this	.4 hrs
3/21/01	Call to Joan Fleming, FBI, concerning MCI service	.2 hrs
3/22/01	Review of file, Weeks Realty, for settlement; Review lease and history and negotiation and letter to Ben Davis	.5 hrs
3/23/01	Fax from MCI and Benjet; Review and call and post-petition and pre-petition accounting; Long distance consult - tell them we are willing to compromise	.3 hrs

3/31/01	Letter from Ben Davis - will get back with us	.1 hrs
4/2/01	Call from Anderson about Spectrum and settlement	.2 hrs
4/4/01	Receive call from Anderson; Letter to MCI; Serve COECO Order; Letter to COECO concerning settlement and agreement signed	.3 hrs
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TOTAL HOURS		30.9 hrs

30.9 hrs @ \$145.00/hr = \$4,480.50

Paralegal Time:

12/6/00	Calls and letter to First Union Bank to obtain copy of check number 1174 drawn on IHI's account for WorldCom deposit	.3 hrs
12/12/00	Go to First Union Bank to pick up copy of check requested	.5 hrs
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TOTAL HOURS		.8 hrs

.8 hrs @\$60.00/hr - \$48.00

Expenses:

11/14/00	Certified Mail Costs - letter to Grubb & Ellis	\$3.20
11/29/00	Certified Mail Costs - letter to WorldCom	\$3.20
12/6/00	Cost to obtain copy of check from First Union	\$5.00
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TOTAL EXPENSES		\$11.40

**TOTAL DUE      \$4,539.90**

*Jean Winborne Boyles*  
 Jean Winborne Boyles  
 SS#245-74-0627